

TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE



FISCAL MEMORANDUM

SB 829 – HB 929

March 7, 2016

SUMMARY OF ORIGINAL BILL: Requires all nonresidential substitution-based treatment centers for opiate addiction to obtain a certificate of need by July 1, 2016. Redefines “nonresidential substitution-based treatment center for opiate addiction” as a facility or premises occupied as the professional practice office of a licensed physician that offers methadone for addiction or offers products containing buprenorphine or a formulation of controlled substances designed to treat opiate addiction by preventing symptoms of withdrawal to at least 150 patients.

FISCAL IMPACT OF ORIGINAL BILL:

NOT SIGNIFICANT

SUMMARY OF AMENDMENT (013144): Deletes all language after the enacting clause. Defines “nonresidential office-based opiate treatment facility” as a facility or premises occupied as the professional practice office of a licensed prescriber that offers products containing buprenorphine or any controlled substance designed to treat opiate addiction by preventing symptoms of withdrawal to 50 percent or more of its patients and 150 or more patients. Defines “physical location” as real property on which a physical structure, whether or not that structure is attached, is located containing one or more units if used as a site for prescribing or dispensing products containing buprenorphine or products containing other controlled substances designed to treat opiate addiction by preventing symptoms of withdrawal. Defines “nonresidential substitution-based treatment center for opiate addiction” or “nonresidential opioid treatment program” as including stand-alone clinics offering methadone, products containing buprenorphine or products containing any other formulation designed to treat opiate addiction by preventing symptoms of withdrawal.

Places the newly defined facilities and program under the Department of Mental Health and Substance Abuse Services (DMHSAS) licensure law within Tenn. Code Ann. § 33-2-402 and specifies that the private practitioner exemption for licensure by the department does not apply to a private practitioner, prescriber, or prescribers operating a nonresidential office-based opiate treatment facility.

Requires the license holder of a nonresidential office-based opiate treatment facility to ensure that adequate billing records are maintained for a period of three years and are available to the DMHSAS upon request. Further requires all records of bank deposits of cash payments for services are maintained for three years and all patient medical records are maintained for a period of ten years.

The DMHSAS is authorized to promulgate rules to implement the provisions of the bill as amended. Medication assisted treatment guidelines developed by nationally recognized addiction treatment organizations shall be used by the department as a guide to the development of the rules.

FISCAL IMPACT OF BILL WITH PROPOSED AMENDMENT:

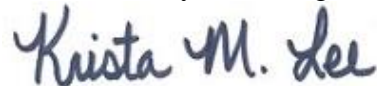
Unchanged from the original fiscal note.

Assumptions for the bill as amended:

- The provisions of the bill as amended are not expected to have a significant fiscal impact on the DMHSAS. The number of additional facilities that will be licensed as a result of the bill as amended is unknown, but it is estimated that the additional inspections and licensure procedures can be accommodated within the existing resources of the department without a significant increase in expenditures.
- Additional revenue will be collected by DMHSAS through licensure fees paid by the facilities. This additional revenue will cover any increased costs incurred by the department for the additional licensure inspections and workload. The net fiscal impact to DMHSAS as a result of the proposed bill as amended is estimated to be not significant.

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.



Krista M. Lee, Executive Director

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